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Australia and New Zealand Banking Group Limited
ABN 11 005 357 522

ANZ *Investment Bank*

To: Mr E J Hall
Chief Executive
Queensland Competition Authority

Fax No: (07) 3222 0599

From: Clyde Moore
Head of Project & Export Finance

No. of Pages: 2 (including this page)

Date: 26 November, 2004

Subject: QCA Draft Decision – Dalrymple Bay Coal Terminal

Please refer attached.

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Clyde Moore
Head of Project & Export Finance

ANZ Investment Bank

26 November 2004

Mr E J Hall
Chief Executive
Queensland Competition Authority
Level 19, Comalco Place
12 Creek Street
BRISBANE QLD 4000

Dear Mr Hall

As the primary banker to Prime Infrastructure, and as a senior secured financier to the Dalrymple Bay Coal Terminal, we are contacting you in relation to the Queensland Competition Authority's Draft Decision regarding access conditions for DBCT.

ANZ is the leading banker to the Australian natural resources industry and a major project financier. The bank's risk assessment of DBCT would be carried out in the context of the global coal industry and other comparable coal port facilities. Since DBCT is a major coal exporting port, its performance is tied to international coal trading conditions, including the financial condition and credit standing of its Asian customers. The coal market is cyclical, as demonstrated by any historical assessment of coal prices (which are known to be highly volatile), and the variability of activity levels at other coal ports such as the PWCS facility in Newcastle.

In the bank's view, an appropriate risk assessment of DBCT's cash flows would take the factors above into account.

Yours truly



Cc: Mr Darryl McDonough
Chairman
Queensland Competition Authority